

# EL DORADO COUNTY ECONOMIC FORECAST

The El Dorado County economy is creating jobs at a rapid rate. In 2017 it gained 1,200 jobs, representing an increase of 2.2 percent. By comparison, growth was observed at 2.0 percent across California. The unemployment rate is now very low in El Dorado County, reaching 4.4 percent in 2017. This indicates that the county has reached a “full employment” scenario, meaning that almost everyone who wants a job already has a job. Under these conditions, job growth typically slows, and further improvements in the unemployment rate become minimal.

In 2017, the construction sector was among the best performing industries. Construction activity is increasing sharply, with more than 800 new homes breaking ground last year. Virtually all of these homes were single-family units. Because El Dorado County has large amounts of buildable land, housing production has tended to spread out into single-family communities, rather than be forced up into multifamily skyscrapers.

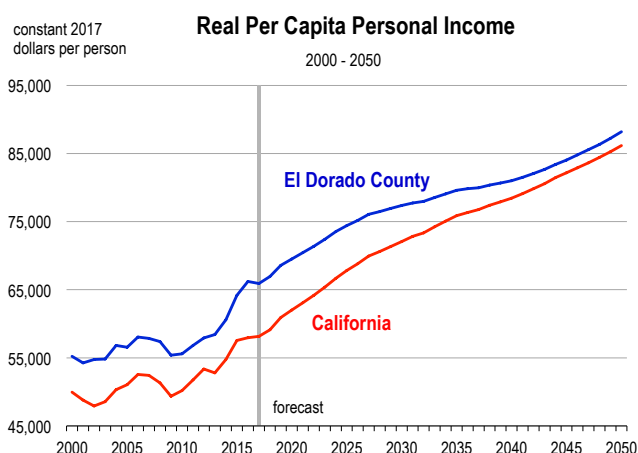
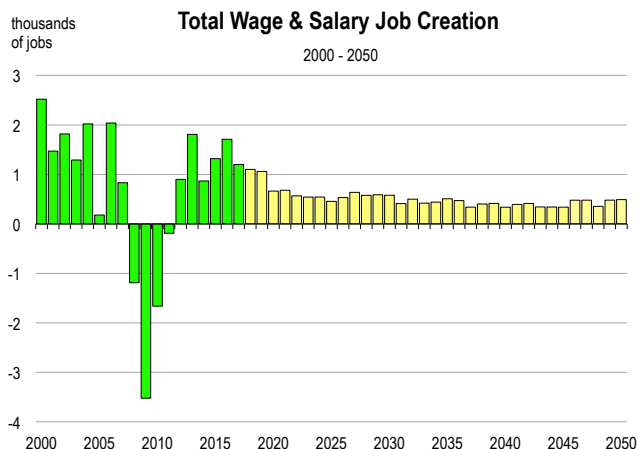
Construction of non-residential structures has also been healthy. In 2017, a total of \$14 million was invested into new medical facilities, along with \$7 million into stores and logistics facilities, and \$1.5 million into new offices. More than \$23 million was spent renovating existing structures.

In total, the construction sector generated 270 new jobs in 2017. Other sectors with substantial job growth were leisure services and healthcare. The leisure sector generated 330 new jobs, primarily in restaurants, while the healthcare industry created 340 jobs.

Population growth in El Dorado County has accelerated, and is now above the statewide rate. Virtually all recent population growth has come from net migration, with new residents moving to the county for its affordable homes and proximity to the Sacramento job market. Along Coastal California, households often spend more than 35 percent of their income on mortgage payments and rent, but in the Sacramento Valley this figure is typically less than 25 percent – a dynamic that has made the Sacramento Valley one of the fastest growing regions of the state.

## FORECAST HIGHLIGHTS

- Total employment is expected to increase by 2.0 percent in 2018. From 2018 to 2023, the growth rate is projected to average 1.2 percent per year.
- Over the 2018-2023 period, employment growth will be greatest in professional and business services, leisure and hospitality, education and healthcare, and government. Together, these sectors will account for 73 percent of net job creation in the county.

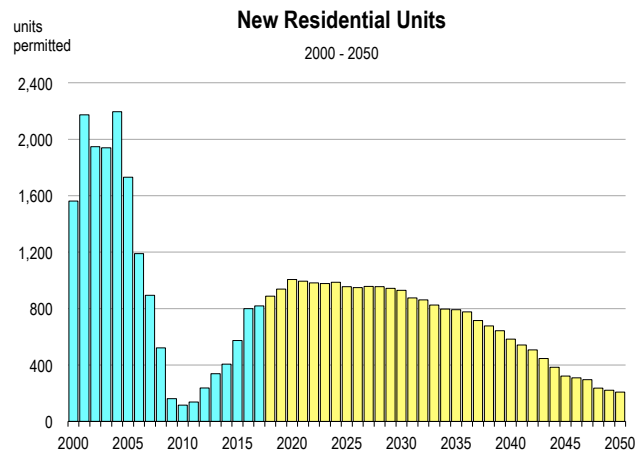
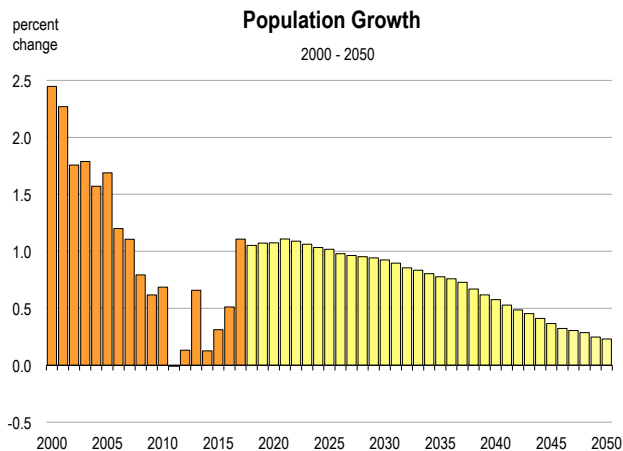


- Average salaries are currently below the California state average, and will remain so throughout the forecast period. In El Dorado County, inflation-adjusted salaries are expected to rise by an average of 2.6 percent per year between 2018 and 2023.
- Real income per capita is expected to rise by 1.5 percent in 2018. Between 2018 and 2023, real per capita income will increase by 1.6 percent per year.
- Over the 2018-2023 period, population growth is expected to average 1.1 percent per year. Virtually all of this growth will be due to net migration.
- Because El Dorado County has a relatively old population base, its birthrate is very low. Between 2018 and 2023, the natural increase (new births) is expected to add only 40 new residents to the population each year. But net migration is expected to be high, adding 2,000 new residents to the population each year.

# El Dorado County Economic Forecast

## 2010-2017 History, 2018-2050 Forecast

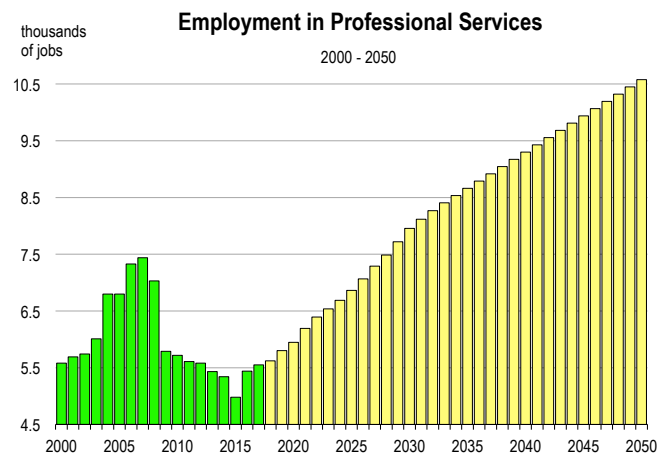
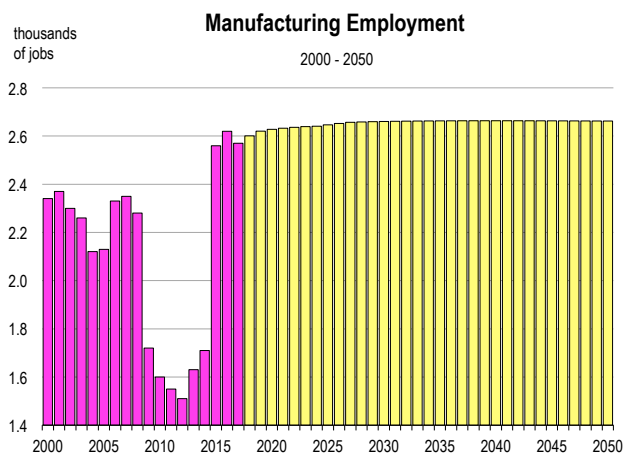
	Population (people)	Net Migration (people)	Registered Vehicles (thousands)	Households (thousands)	New Homes Permitted (homes)	Total Taxable Sales (billions)	Personal Income (billions)	Real Per Capita Income (dollars)	Inflation Rate (% change in CPI)	Real Farm Crop Value (millions)	Real Industrial Production (millions)	Unemploy- ment Rate (percent)
2010	180,931	863	215	70.2	115	\$1.6	\$8.7	\$55,597	1.3	40.5	474.5	12.2
2011	180,917	-336	213	70.2	137	\$1.7	\$9.1	\$56,830	2.7	40.8	464.0	11.7
2012	181,157	63	209	69.7	238	\$1.7	\$9.5	\$57,922	2.7	52.1	474.1	10.2
2013	182,348	1,023	216	69.2	339	\$1.9	\$9.8	\$58,434	2.3	51.3	528.7	8.5
2014	182,578	17	219	69.4	406	\$1.9	\$10.4	\$60,597	2.8	53.4	549.4	7.0
2015	183,147	502	223	69.5	574	\$2.1	\$11.2	\$64,193	2.6	53.4	757.5	5.7
2016	184,085	907	230	69.9	799	\$2.2	\$11.8	\$66,205	3.1	58.2	769.7	5.1
2017	186,123	1,966	229	70.1	819	\$2.3	\$12.3	\$65,930	3.2	60.5	776.7	4.4
2018	188,081	1,930	232	70.5	888	\$2.4	\$13.0	\$66,937	3.7	60.7	824.4	4.1
2019	190,097	1,979	235	71.0	938	\$2.5	\$13.7	\$68,564	3.1	61.1	830.1	3.9
2020	192,138	1,999	238	71.5	1,006	\$2.6	\$14.5	\$69,519	4.1	61.5	844.7	4.0
2021	194,267	2,082	240	72.2	994	\$2.7	\$15.3	\$70,439	3.6	61.8	865.7	4.1
2022	196,383	2,071	242	72.9	982	\$2.8	\$16.1	\$71,391	3.5	62.2	883.6	4.3
2023	198,468	2,051	244	73.6	977	\$2.9	\$17.0	\$72,408	3.4	62.5	904.7	4.4
2024	200,520	2,030	246	74.4	987	\$3.1	\$17.8	\$73,550	3.3	62.9	925.6	4.6
2025	202,560	2,031	248	75.1	955	\$3.2	\$18.7	\$74,414	3.1	63.2	944.8	4.6
2026	204,543	1,991	249	75.9	949	\$3.3	\$19.5	\$75,186	3.1	63.6	964.0	4.6
2027	206,513	1,995	251	76.7	957	\$3.4	\$20.3	\$76,067	3.0	63.9	983.6	4.7
2028	208,480	2,005	253	77.5	955	\$3.6	\$21.1	\$76,469	3.3	64.3	1,003.6	4.7
2029	210,444	2,015	254	78.3	943	\$3.7	\$22.0	\$76,926	3.1	64.6	1,023.9	4.7
2030	212,389	2,010	256	79.1	929	\$3.8	\$22.8	\$77,384	3.0	65.0	1,044.4	4.7
2031	214,292	1,980	257	79.9	876	\$4.0	\$23.6	\$77,758	2.9	65.3	1,065.3	4.7
2032	216,124	1,918	258	80.7	862	\$4.2	\$24.4	\$77,986	3.1	65.7	1,086.2	4.7
2033	217,926	1,903	259	81.5	825	\$4.3	\$25.3	\$78,552	2.7	66.0	1,107.9	4.7
2034	219,677	1,866	261	82.2	796	\$4.5	\$26.2	\$79,059	2.9	66.4	1,129.7	4.7
2035	221,383	1,840	262	83.0	792	\$4.7	\$27.1	\$79,599	3.0	66.7	1,152.2	4.7
2036	223,063	1,837	263	83.7	777	\$4.9	\$28.1	\$79,843	3.4	67.1	1,175.4	4.7
2037	224,686	1,816	264	84.4	715	\$5.1	\$29.2	\$79,988	3.5	67.4	1,199.0	4.7
2038	226,189	1,737	265	85.1	677	\$5.2	\$30.2	\$80,377	3.3	67.8	1,222.6	4.7
2039	227,585	1,675	266	85.7	643	\$5.4	\$31.4	\$80,684	3.5	68.1	1,246.8	4.7
2040	228,895	1,631	267	86.3	584	\$5.6	\$32.5	\$81,004	3.4	68.5	1,271.7	4.7
2041	230,104	1,567	268	86.9	542	\$5.8	\$33.7	\$81,501	3.2	68.8	1,296.7	4.7
2042	231,221	1,510	269	87.5	507	\$5.9	\$34.8	\$82,080	3.1	69.2	1,322.5	4.6
2043	232,269	1,470	269	88.0	446	\$6.1	\$36.0	\$82,678	3.0	69.5	1,349.0	4.6
2044	233,223	1,405	270	88.5	384	\$6.3	\$37.2	\$83,416	2.8	69.9	1,375.7	4.6
2045	234,077	1,333	271	88.9	322	\$6.4	\$38.5	\$84,027	3.0	70.2	1,403.0	4.6
2046	234,833	1,259	272	89.3	309	\$6.6	\$39.8	\$84,797	2.9	70.6	1,430.8	4.6
2047	235,548	1,243	273	89.7	296	\$6.8	\$41.1	\$85,577	2.9	70.9	1,459.9	4.6
2048	236,222	1,226	274	90.0	236	\$7.0	\$42.5	\$86,333	2.9	71.3	1,489.9	4.6
2049	236,807	1,159	275	90.3	221	\$7.2	\$43.9	\$87,245	2.9	71.6	1,519.9	4.6
2050	237,352	1,140	275	90.6	208	\$7.4	\$45.4	\$88,219	2.9	72.0	1,551.1	4.6

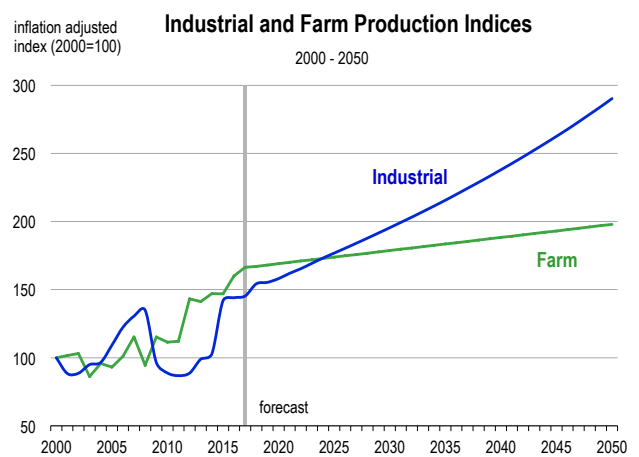
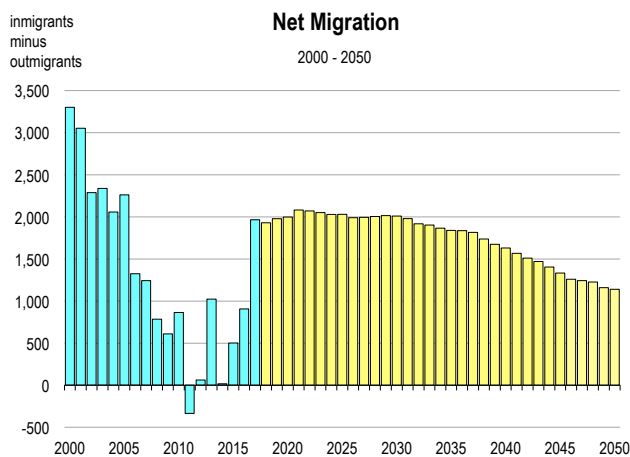
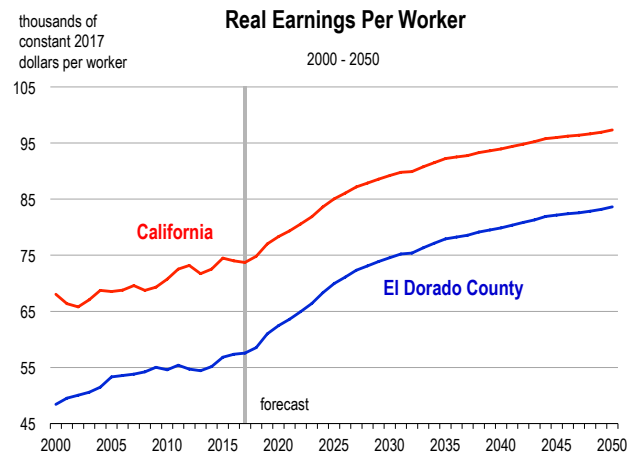
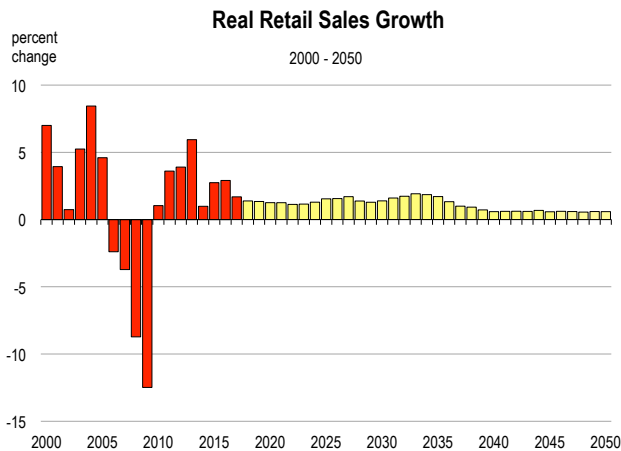


# El Dorado County Employment Forecast

## 2010-2017 History, 2018-2050 Forecast

	Total Wage & Salary	Farm	Construction	Manufac- turing	Transportation & Utilities	Wholesale & Retail Trade	Financial Activities	Professional Services	Information	Health & Education	Leisure	Government
	employment (thousands of jobs)											
2010	47.6	0.29	3.0	1.6	0.5	6.2	3.5	5.7	0.5	6.5	7.2	10.8
2011	47.4	0.29	3.0	1.6	0.5	6.3	3.5	5.6	0.4	6.7	7.4	10.5
2012	48.3	0.38	3.1	1.5	0.5	6.3	3.7	5.6	0.5	7.0	7.5	10.3
2013	50.1	0.52	3.3	1.6	0.7	6.3	3.9	5.4	0.5	7.6	8.0	10.3
2014	50.9	0.54	3.5	1.7	0.7	6.3	4.0	5.3	0.5	7.6	8.4	10.5
2015	52.3	0.48	3.7	2.6	0.7	6.4	4.2	5.0	0.5	7.2	8.8	10.8
2016	54.0	0.26	4.1	2.6	0.8	6.7	4.1	5.4	0.6	7.5	9.0	10.9
2017	55.2	0.24	4.4	2.6	0.8	6.8	4.1	5.6	0.6	7.9	9.4	11.0
2018	56.3	0.24	4.5	2.6	0.8	6.9	4.1	5.6	0.6	8.1	9.6	11.2
2019	57.3	0.25	4.7	2.6	0.9	6.9	4.2	5.8	0.6	8.3	9.7	11.4
2020	58.0	0.25	4.9	2.6	0.9	7.0	4.2	5.9	0.6	8.4	9.7	11.5
2021	58.7	0.25	4.9	2.6	0.9	7.1	4.2	6.2	0.6	8.5	9.9	11.6
2022	59.2	0.25	4.9	2.6	0.9	7.1	4.2	6.4	0.6	8.6	10.0	11.6
2023	59.8	0.26	4.9	2.6	0.9	7.2	4.2	6.5	0.6	8.7	10.1	11.7
2024	60.3	0.26	4.9	2.6	0.9	7.2	4.2	6.7	0.6	8.9	10.2	11.8
2025	60.8	0.26	4.9	2.6	0.9	7.3	4.2	6.9	0.6	9.0	10.2	11.9
2026	61.3	0.27	4.9	2.7	0.9	7.3	4.2	7.1	0.6	9.1	10.3	11.9
2027	62.0	0.27	4.9	2.7	0.9	7.4	4.2	7.3	0.6	9.2	10.3	12.0
2028	62.5	0.27	4.9	2.7	0.9	7.4	4.2	7.5	0.6	9.3	10.4	12.1
2029	63.1	0.27	4.9	2.7	0.9	7.5	4.2	7.7	0.6	9.5	10.5	12.1
2030	63.7	0.28	4.9	2.7	0.9	7.6	4.2	8.0	0.6	9.7	10.5	12.2
2031	64.1	0.28	4.7	2.7	0.9	7.6	4.2	8.1	0.6	9.8	10.6	12.3
2032	64.6	0.28	4.7	2.7	0.9	7.7	4.2	8.3	0.6	10.0	10.7	12.3
2033	65.0	0.28	4.6	2.7	0.9	7.7	4.2	8.4	0.6	10.1	10.8	12.4
2034	65.5	0.29	4.5	2.7	0.9	7.8	4.2	8.5	0.6	10.3	10.8	12.5
2035	66.0	0.29	4.5	2.7	0.9	7.9	4.2	8.7	0.6	10.5	10.9	12.5
2036	66.4	0.29	4.5	2.7	0.9	7.9	4.2	8.8	0.6	10.6	11.0	12.6
2037	66.8	0.30	4.3	2.7	0.9	8.0	4.2	8.9	0.6	10.8	11.1	12.6
2038	67.2	0.30	4.2	2.7	0.9	8.0	4.2	9.0	0.6	11.0	11.2	12.7
2039	67.6	0.30	4.1	2.7	0.9	8.1	4.2	9.2	0.6	11.1	11.2	12.8
2040	67.9	0.30	3.9	2.7	0.9	8.1	4.2	9.3	0.6	11.3	11.3	12.8
2041	68.3	0.31	3.8	2.7	0.9	8.2	4.2	9.4	0.6	11.4	11.4	12.9
2042	68.7	0.31	3.7	2.7	0.9	8.2	4.2	9.6	0.6	11.6	11.5	13.0
2043	69.1	0.31	3.6	2.7	0.9	8.2	4.3	9.7	0.6	11.8	11.6	13.0
2044	69.4	0.31	3.4	2.7	0.9	8.3	4.3	9.8	0.6	11.9	11.7	13.1
2045	69.8	0.32	3.2	2.7	0.9	8.3	4.3	9.9	0.6	12.1	11.7	13.2
2046	70.2	0.32	3.2	2.7	0.9	8.4	4.3	10.1	0.6	12.3	11.8	13.2
2047	70.7	0.32	3.2	2.7	0.9	8.4	4.3	10.2	0.6	12.4	11.9	13.3
2048	71.1	0.32	3.0	2.7	0.9	8.5	4.3	10.3	0.6	12.6	12.0	13.4
2049	71.6	0.33	3.0	2.7	0.9	8.5	4.3	10.4	0.6	12.8	12.1	13.4
2050	72.1	0.33	2.9	2.7	0.9	8.5	4.3	10.6	0.6	13.0	12.2	13.5





## County Economic and Demographic Indicators

### Projected Economic Growth (2018-2023)

Expected retail sales growth:	6.3%
Expected job growth:	6.2%
Fastest growing jobs sector:	Professional Services
Expected personal income growth:	14.2%

Expected population growth:	5.5%
Net migration to account for:	98.0%
Expected growth in number of vehicles:	5.2%

### Demographics (2018)

Unemployment rate (April 2018):	3.4%
County rank* in California (58 counties):	17th
Working age (16-64) population:	63.3%

Population with B.A. or higher:	32.9%
Median home selling price (2017):	\$455,000
Median household income:	\$64,120

### Quality of Life

Violent crime rate (2016):	183 per 100,000 persons
County rank* in California (58 counties):	3rd
Average commute time to work (2018):	32 minutes

High school drop out rate (2017):	3.9%
Households at/below poverty line (2018):	6.7%

\* The county ranked 1st corresponds to the lowest rate in California